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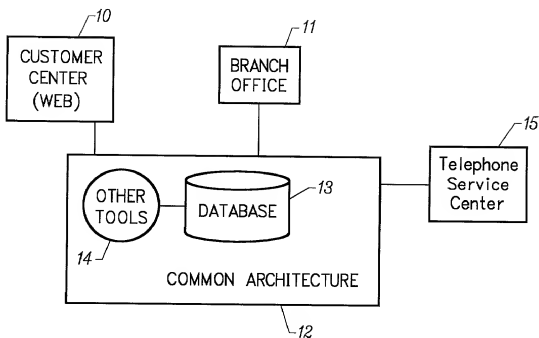


FIG. 1

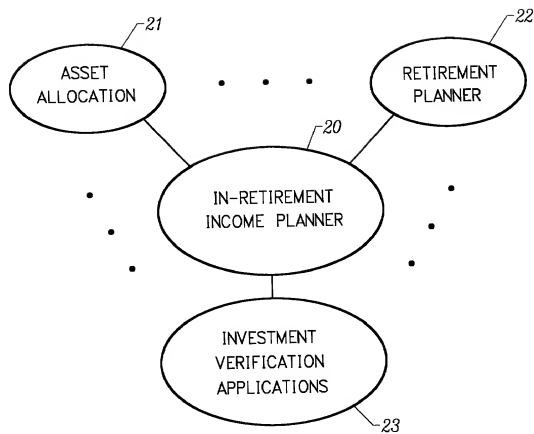


FIG. 2

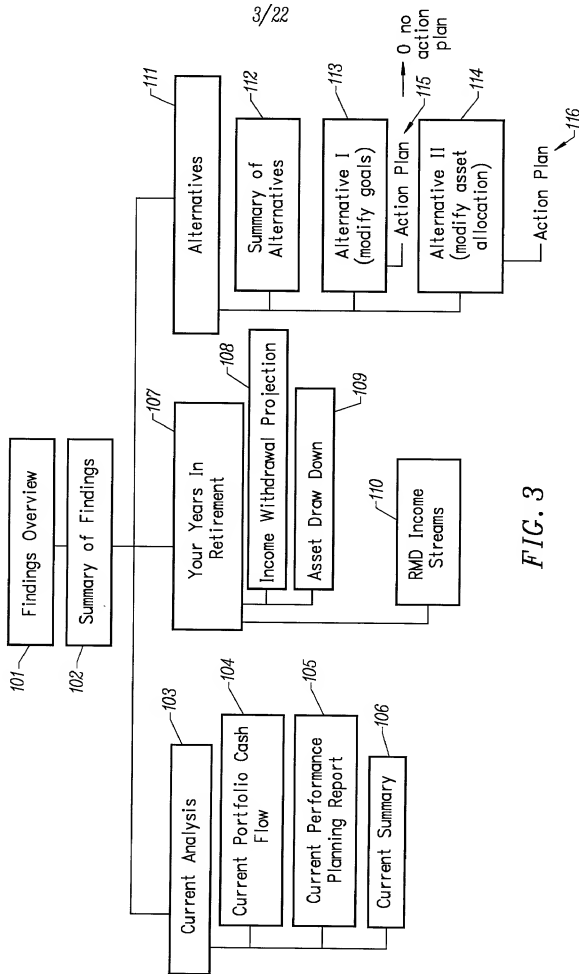
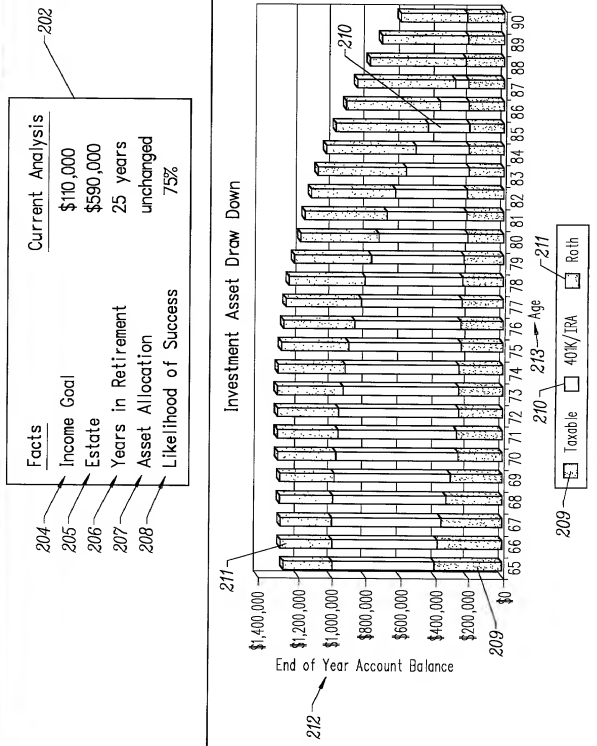


FIG. 3



301

Summary of Findings

Prepared for: Susanna Sample
August 5, 2000

Based on your stated income, estate and years in retirement goals and your current portfolio allocation, Schwab's analysis shows that **you have a 75% chance of meeting your estate goal in retirement**. Listed below is a summary of Schwab's analysis of your current situation. Your Schwab Investment Specialist can help you evaluate the findings, and help you determine the best course of action to meet your needs.

302

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Estate Goal
There is a 75% chance that you will be able to achieve an estate of \$590,000 which is slightly lower than your stated goal.

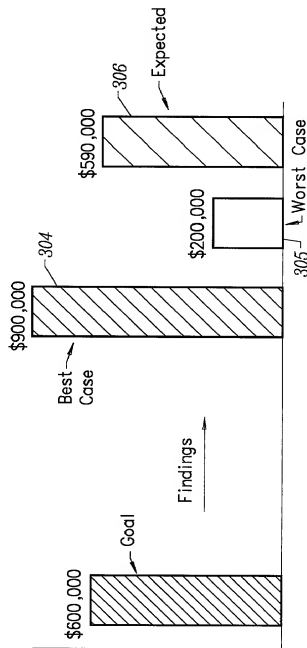
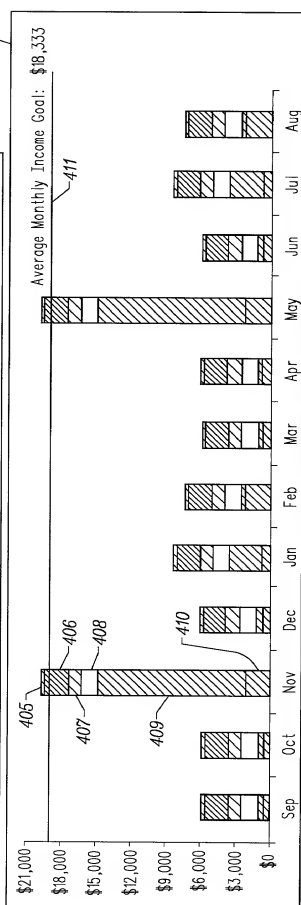


FIG. 5

Prepared for: Susanna Sample
August 5, 2000

Current Portfolio Cash Flow

Your current portfolio is projected to provide you with \$100,000 in cash flows from dividend and interest payments as well as non-fluctuating sources of income annually. This leaves you with a **\$10,000 income gap** to meet your annual income goal of \$110,000.



	Projected 2000					Projected 2001								Total
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug		
<i>Dividend & Interest Sources</i>														
405 — <input checked="" type="checkbox"/> Equity Dividend	\$403	\$451	\$850	\$403	\$406	\$875	\$403	\$406	\$850	\$403	\$406	\$1,378	\$7,234	
406 — <input checked="" type="checkbox"/> Fixed Income	\$245	\$255	\$7,900	\$330	\$1,424	\$225	\$215	\$260	\$7,900	\$240	\$1,859	\$225	\$21,078	
407 — <input checked="" type="checkbox"/> Cash	\$57	\$57	\$57	\$57	\$57	\$57	\$57	\$57	\$57	\$57	\$57	\$57	\$684	
<i>Non-Fluctuating Sources</i>														
408 — <input checked="" type="checkbox"/> Income Prop.	\$2,917	\$2,917	\$2,917	\$2,917	\$2,917	\$2,917	\$2,917	\$2,917	\$2,917	\$2,917	\$2,917	\$2,917	\$35,004	
409 — <input checked="" type="checkbox"/> Soc. Sec.	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$24,000	
410 — <input checked="" type="checkbox"/> Pension	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$12,000	
Monthly Total	\$6,622	\$6,680	\$14,724	\$6,707	\$7,804	\$7,074	\$6,592	\$6,540	\$14,724	\$6,517	\$8,239	\$7,577	\$100,000	

Investment Income Flow Analysis for John Sample

April 30, 2001

Accounts Included: 1234-5678, 8765-4321
Total Value of Accounts: \$408,762.74
Estimated Annual Cash Flow: \$39,737.00

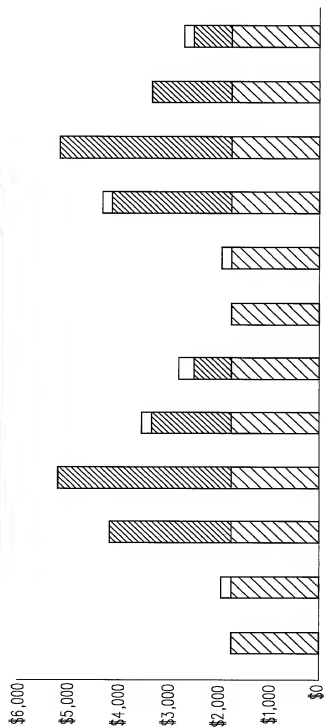


FIG. 6B

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	Apr-00	May-00	Jun-00	Jul-00	Aug-00	Sep-00	Oct-00	Nov-00	Dec-00	Jan-01	Feb-01	Mar-01	Est. Annual Cash Flow
Estimated Monthly													
<input type="checkbox"/> Equity Cash Flow	\$0	\$0	\$187	\$46	\$0	\$187	\$321	\$0	\$187	\$211	\$0	\$32	\$211
<input checked="" type="checkbox"/> Fixed Income Cash Flow	\$0	\$0	\$2,356	\$3,390	\$1,594	\$138	\$0	\$0	\$2,356	\$3,390	\$1,594	\$738	\$16,155
<input checked="" type="checkbox"/> Other Cash Flow	\$1,725	\$1,725	\$1,725	\$1,725	\$1,725	\$1,725	\$1,725	\$1,725	\$1,725	\$1,725	\$1,725	\$1,725	\$20,700
Cash Flow Subtotal	\$1,725	\$1,912	\$4,127	\$5,115	\$3,506	\$2,783	\$1,725	\$1,912	\$4,292	\$5,115	\$3,351	\$2,673	\$38,235
Mutual Fund Cash Flow	\$23	\$18	\$235	\$33	\$24	\$110	\$24	\$21	\$427	\$20	\$21	\$80	\$1,037
Total Cash Flow	\$1,748	\$1,930	\$4,362	\$5,148	\$3,530	\$2,893	\$1,749	\$1,933	\$4,718	\$5,135	\$3,371	\$2,753	\$39,272

501

Current Performance Planning Report

Prepared for: Susanna Sample
August 5, 2000

FIG. 7

502

Data as of August 4, 2000 except where noted below.

Security	Projected Annual Cash Flow	Approx. Current Yield	Average Annual Total Returns			Approx. Current Value	Divid. Re-Invest.
			As of latest quarter end (June 30, 2000)	Since Inception	10-Year		
American Gen. Pref.	\$5,005	6.4%	8.3%	8.5%	8.4%	\$78,000	N
Schwab Bond Fund	\$4,378	6.2%	6.0%	6.1%	--	\$71,000	Y
Lehman Agg. Bond Index		5.0%	2.5%	7.2%	6.8%		
Treasury Bill	\$16,700	4.8%	5.4%	5.4%	5.4%	\$345,000	N
Lehman Municipal Bond Index		4.5%	0.5%	6.5%	7.1%		
IBM	\$680	1.8%	82.0%	28.7%	27.1%	\$37,150	N
SchwabOne Account	\$684	1.6%	1.7%	26.2%	30.0%	\$42,000	Y
Chevron	\$1,244	1.6%	11.0%	17.8%	14.2%	\$78,000	Y
SGP 500 Index		1.3%	20.0%	26.0%	29.0%		
Citicorp	\$140	0.5%	41.0%	33.7%	35.0%	\$25,750	N
Ford Motors	\$165	0.2%	21.0%	23.0%	25.0%	\$75,000	Y

505

Your total projected annual cash flow may not entirely close the cash flow gap between your income goal and your non-fluctuating sources of cash flow. In this case you may need to rely on capital gains to meet any remaining cash flow gap. This table allows to you assess the approximate current yield and principle total return information in order to determine which holdings are providing you with cash flows versus growth required to meet your lifestyle goals in retirement.

FIG. 8

601

Current Summary

Prepared for: Susanna Sample
August 5, 2000

602

Approximately 65% of your income in retirement will come from non-fluctuating sources of income. These are sources such as rental property, social security and pension payments not invested in securities. The difference between your income goal and your non-fluctuating sources of income will need to be met by your security investments. Your Schwab Investment Specialist can assist you in evaluating your investments and the two sources of income they provide -- dividends and interest generated by your investments and capital gains generated by the sale of a portion of your investments. Your Investment Specialist can also help you determine the best course of action to meet your needs.

603

Available Dividend & Interest Cash Flow:

Total Cash Flow	\$22,525
Currently Re-Invested Cash Flow	\$ 6,471
Total Available Cash Flow	<u>\$28,996</u>

Cash Flow Breakdown:

Dividend & Interest Sources	\$28,996
Non-Fluctuating Sources	<u>\$71,004</u>
Total Cash Flow	<u>\$100,000</u>
Annual Income Goal	<u>\$110,000</u>
Shortfall to be met by Capital Gains	<u>\$10,000</u>

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FIG. 9

Your In-Retirement Income Projection

Prepared for: Susanna Sample
August 5, 2000

To maximize the likelihood of meeting your lifestyle goal in retirement, Schwab recommends that you follow a tax-savvy/smart withdrawal strategy. The table below outlines the income stream withdrawal strategy that may best meet your goals.

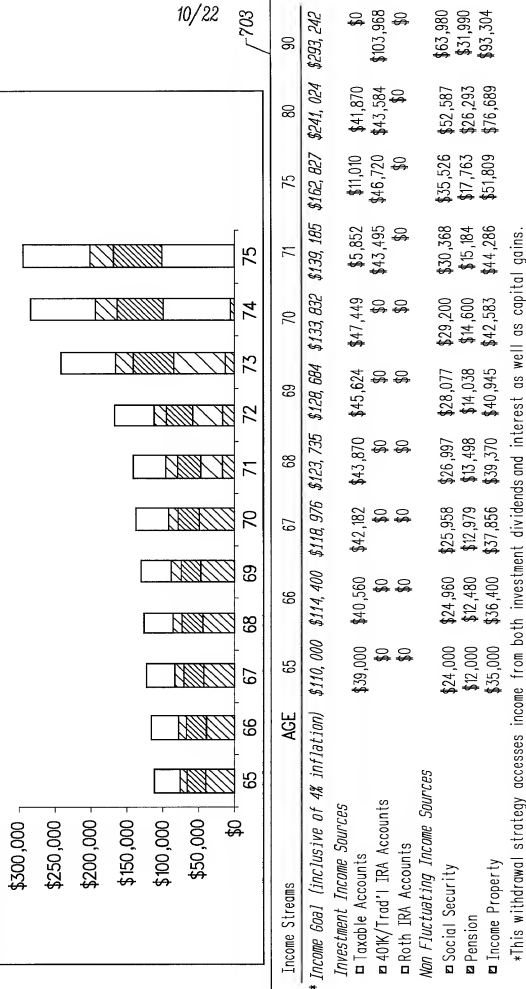


FIG. 10

801—Your Asset Draw Down

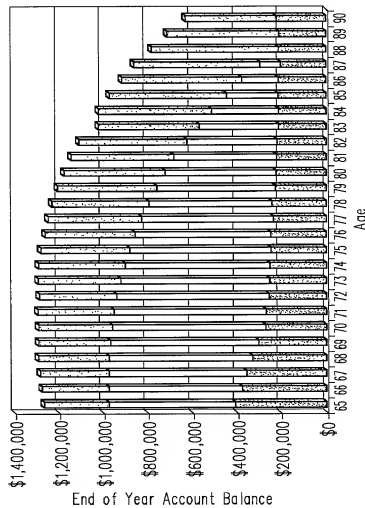
Prepared for: Susanna Sample
August 5, 2000

Year End Account Balance

802

203

Investment Asset Draw Down



□ Taxable □ 40%/IRA ▨ Roth

Your Estate — 90

FIG. 11

902

901

RMD Income Streams

Prepared for: Susanna Sample
August 5, 2000

Traditional IRA/401K

Age	IRS Minimum	Actual Withdrawal	Expected Year End Balance
65	\$0	\$0	\$572,000
66	\$0	\$0	\$594,880
67	\$0	\$0	\$618,675
68	\$0	\$0	\$643,422
69	\$0	\$0	\$669,159
70	\$0	\$0	\$695,925
71	\$34,375	\$34,375	\$688,012
72	\$35,948	\$35,948	\$678,147
73	\$37,671	\$37,671	\$666,095
74	\$39,568	\$39,568	\$651,588
75	\$41,667	\$41,667	\$634,318
76	\$44,000	\$44,000	\$613,930
77	\$46,219	\$46,219	\$590,420
78	\$49,107	\$49,107	\$562,965
79	\$51,887	\$51,887	\$531,522
80	\$55,000	\$55,000	\$495,582
81	\$57,895	\$57,895	\$455,195
82	\$61,798	\$61,798	\$409,133
83	\$65,476	\$65,476	\$357,403
84	\$69,620	\$69,620	\$299,294
85	\$74,324	\$74,324	\$233,968
86	\$79,710	\$79,710	\$160,428
87	\$84,616	\$84,616	\$78,845
88	\$78,845	\$78,845	\$0
89	\$0	\$0	\$0
90	\$0	\$0	\$0

As you reach 70 1/2, you are required by the IRS to begin taking distributions from your IRA. Your required minimum distribution (RMD) is based on the total value of your Traditional, Rollover, SIMPLE and SEP-IRAs at the end of the previous year and the calculation method you select.

Based on the value of your tax deferred assets (IRAs and 401K) and your minimum distribution calculation method*, your actual distributions and the IRS mandated minimum distributions from your tax deferred accounts will not vary.

*The single life/recalculation method was used to calculate your required minimum distribution order to achieve your stated goal of minimum taxes in retirement.

FIG. 12

1001

RMD Income Streams (con't)

Prepared for: Susanna Sample
August 5, 2000

1002

1003

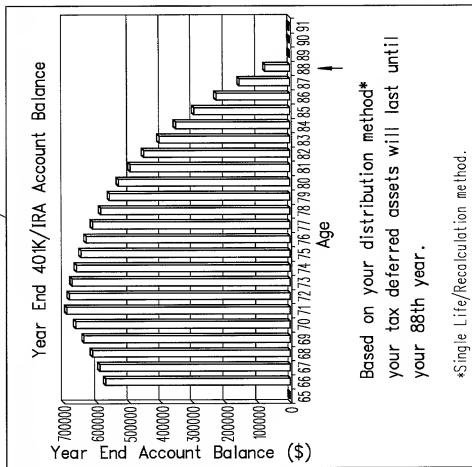
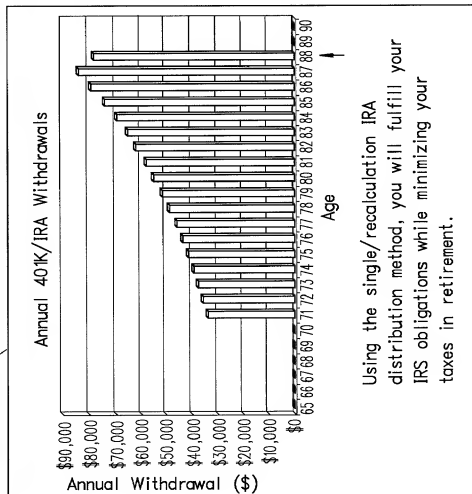


FIG. 13

Summary of Alternatives
Prepared for: Susanna Sample
August 5, 2000

Facts	Current Analysis	Schwab Alternative I	Schwab Alternative II
<ul style="list-style-type: none"> Income Goal Estate Years in Retirement Asset Allocation Likelihood of success 	\$110,000 \$590,000 25 years unchanged 75%	\$110,000 \$478,850 25 years unchanged 95%	\$110,000 \$620,000 25 years moderate 95%
Pros <u>1106</u>	<ul style="list-style-type: none"> met income goal with 75% certainty 	<ul style="list-style-type: none"> increase probability of meeting in-retirement goals to 95% 	<ul style="list-style-type: none"> increase probability of meeting in-retirement goals to 95% increases likely estate left
Cons <u>1107</u>	fall below desired estate goal of \$600,000	<ul style="list-style-type: none"> requires the relaxing of one of your goals -- estate 	<ul style="list-style-type: none"> requires assuming a greater level of risk with your asset allocation and may expose you to a greater degree of volatility in your portfolio's performance

FIG. 14

Alternative I: Modify Goal

Prepared for: Susanna Sample
August 5, 2000

By relaxing your estate goal, you may increase the likelihood of meeting your lifestyle goal from 75% to 95%.

Your Current Analysis

Estate
\$590,000
25 years
Income Goal
\$110,000
Asset Allocation
unchanged
75%
Likelihood of Success

Schwab Alternative I

Estate
\$478,850
25 years
Income Goal
\$110,000
Asset Allocation
unchanged
95%

Modified Asset Draw Down

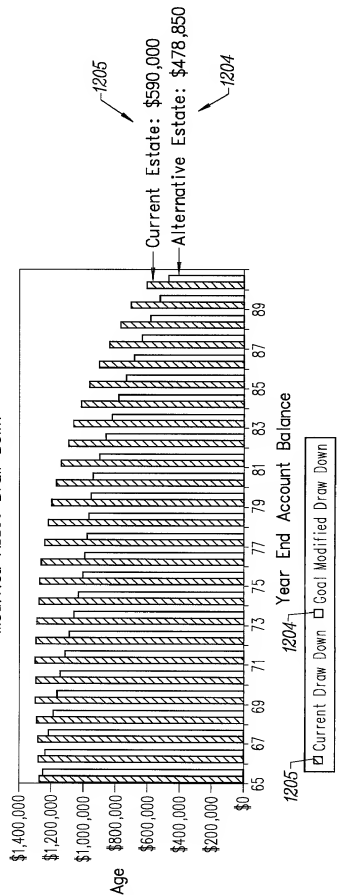


FIG. 15

Alternative II: Modify Asset Allocation

Prepared for: Susanna Sample
August 5, 2000

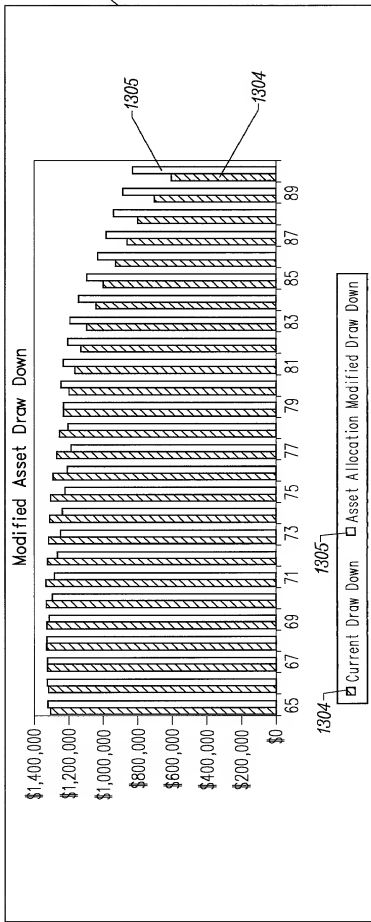
By altering your asset allocation, you may increase the likelihood of meeting your lifestyle goal from 75% to 95%.

Your Current Analysis

unchanged
Asset Allocation
\$590,000
Estate
25 years
Years In Retirement
Income Goal
\$110,000
Likelihood of Success
75%

Schwab Alternative II

moderate
\$620,000
Estate
25 years
Years In Retirement
Income Goal
\$110,000
Likelihood of Success
95%



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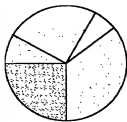
1203

1401

Alternative Analysis II:Moderate

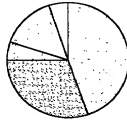
Average Annual Return (1970-1999)

Best Year: 28.56% Worst Year: -9.78%


☐ Small Cap ☐ Large Cap ☐ International
☐ Fixed Income ☐ Cash
Current Analysis:Your Portfolio

Average Annual Return* (1970-1999)

Best Year: XX.XX% Worst Year: -X.XX%


☐ Small Cap ☐ Large Cap ☐ International
☐ Fixed Income ☐ Cash

*Average annual return for a portfolio like yours.

Alternative II: Modify Asset Allocation (con't)Prepared for: Susanna Sample
August 5, 2000

An alternative to modifying your goals, may be to reallocate your portfolio.

By modifying the way your assets are allocated between asset classes you may be able to better meet your lifestyle goal in retirement.

Our analysis shows that you may be able to better achieve your goals with a more optimal asset allocation.

Additionally, your preferences indicate that based on your time horizon you may benefit from altering your portfolio diversification to increase your likelihood of achieving your goal in retirement from 75% to 95%.

1404

Suggested Reallocation:
☐ Underweighted Small Cap ☐ \$XX,XXX
☐ Underweighted Large Cap ☐ \$YY,YYY
☐ Underweighted International ☐ \$ZZ,ZZZ
☐ Overweighted Fixed Income ☐ \$AA,AAA
☒ Overweighted Cash ☐ \$BB,BBB

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FIG. 16

FIG. 17

1501

Alternative II: Action Plan

Prepared for: Susanna Sample
August 5, 2000

SMALL COMPANY HOLDINGS: OVERWEIGHTED \$689,831 Individual Equities

Amount	% of Asset Class	Company Name (Sector)	1/B/E/S Analyst Consensus	SBP Rating	12 Month Total Return Company	12 Month Total Return Industry	P/E Company	P/E Industry
\$21,000	2%	Aeroflex Inc.	Sell <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Strong (5) (n/a)	-32.9%	-59.2%	22.0	11.5
\$47,500	5%	Electron(Defense)	(n/a)	(n/a) (n/a)	49.2%	-59.2%	12.3	11.5
\$3,625	1%	Applied Signal Technol...	(n/a)	(n/a) (n/a)	82.2%	-11.4%	—	37.3
\$19,500	2%	Atlantic Pharmaceutical...	(n/a)	(n/a) (n/a)	-40.5%	94.7%	—	63.1
\$15,813	2%	Hith Care(Pharm-Med)	(n/a)	(n/a) (n/a)	133.6%	94.7%	—	63.1
\$202,496	2%	Auto Immune Inc.	(n/a)	(n/a) (n/a)	164.2%	65.2%	—	85.9
\$0	<1%	Blomira Inc.	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	(8) (n/a)	-7.6%	12.3%	5.3	22.1
\$5,344	1%	Terayon Communications...	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	(10) (n/a)	n/a	-3.1%	—	18.6
\$141,375	15%	Terex Corp. Machinery(Diver)	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	(15) * *	34.9%	26.3%	54.9	69.0
		United Parcel B'	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	(5) (n/a)				
		Air Freight	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>					
		Wind River Systems	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>					
		Computer (StiwdSv)	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>					
		Benchmark: RUSSELL 2000			17.7%			

Buy/Sell
Buy/Sell
Buy/Sell

Symbols

☐ This security is held in a tax-deferred account

1701

Alternative II: Action Plan (con't)

Prepared for: Susanna Sample
August 5, 2000

1702

INTERNATIONAL HOLDINGS: UNDERWEIGHTED \$331,446

Individual Equities

Amount	% of Asset Class	Company Name (Sector)	I/B/E/S Analyst Consensus	S&P Rating	12 Month Total Return Company Industry	P/E Company Industry
\$10,500	100%	Fletcher Challenge For ... Paper&Forest Prod	Sell <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> Strong	(2) (n/a)	-28.8% 18.7%	2.5 28.6

Benchmark: MSCI EAFE ND

19.3%

Buy/Sell
Buy/Sell
Buy/Sell

Symbols

☒ This security is held in a tax-deferred account

FIG. 19

1901 — Alternative II: Action Plan (con't) Prepared for: Susanna Sample
August 5, 2000

1902

FIXED INCOME HOLDINGS: UNDERWEIGHTED \$205,167

Buy/Sell
Buy/Sell
Buy/Sell

Symbols

☐ C This security represents a Core Investment (Index Fund)

☐ D This security is held in a tax-deferred account

FIG. 20

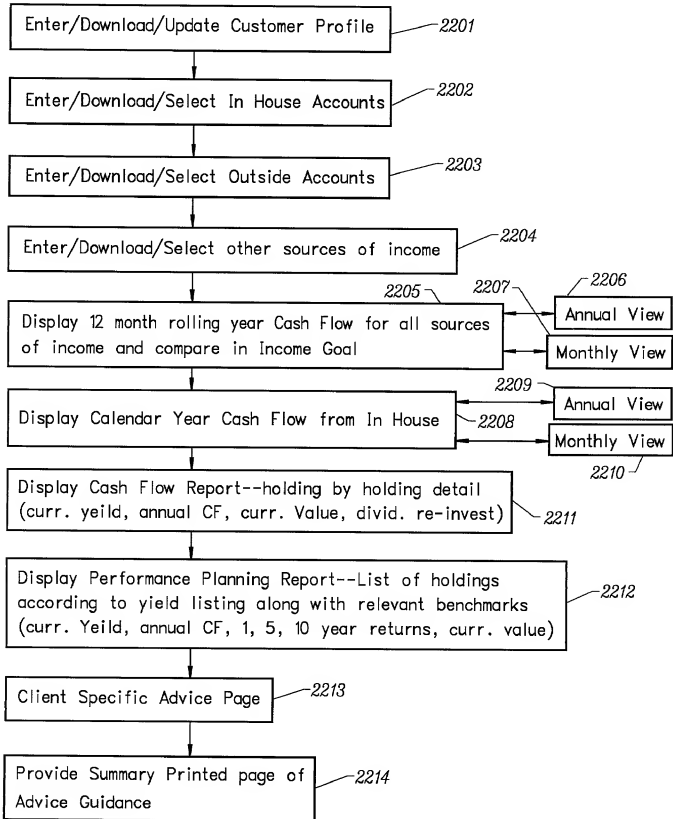


FIG. 21